

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2011

Docket No. N2012-1

**UNITED STATES POSTAL SERVICE RESPONSE
TO AMERICAN POSTAL WORKERS UNION INTERROGATORY
(APWU/USPS—10(b))
(April 17, 2012)**

The United States Postal Service today files its institutional response to the above-identified interrogatory of the American Postal Workers Union, AFL-CIO, dated February 13, 2012. The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno
Chief Counsel
Global Business & Service Development

James M. Mecone

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260
(202) 268-6525; Fax -5402
April 17, 2012

INSTITUTIONAL RESPONSE OF THE UNITED STATES POSTAL SERVICE TO AMERICAN POSTAL WORKERS UNION INTERROGATORY

APWU/USPS-10 The Hattiesburg MS CSMPC is on the September list of locations being studied for consolidation. On the USPS website (<http://about.usps.com/streamlining-operations/area-mail-processing.htm#h>) there are two AMP feasibility studies related to the Hattiesburg site. One is dated June 28, 2011 evaluating a transfer from Hattiesburg to Gulfport with an estimated savings of \$660,507 and only 5.92% of its First Class Mail volume being downgraded from overnight to 2-day. The second study, dated October 31, 2011, shows savings of \$2.2 million with all First Class Service showing 2-3 day service (but no indication as to what percent is an actual downgrade.) Each is attached for your reference.

b) Why does the change from 9 positions reduced in the June version to 16 positions reduced in the October version almost triple the employee savings?

RESPONSE:

b) Craft employees and craft savings may not appear to align with one another for the reasons listed below.

- The results shared on the summary brief were pre-decisional and were developed prior to any functional review. The results are subject to change during the functional review that occurs before a final decision.
- The number of positions identified in the AMP packages is a result of a "Full Time Equivalent" calculation and may not be directly related to mail processing positions. The calculations cited in this interrogatory part were based upon the national 1,745 annual work hour average for each craft employee. The number of positions identified in the AMP packages was a base formula that estimated the total number of estimated hours at the gaining site divided by 1,745 work hours to determine the projected staffing. At some sites, employees are averaging greater than 1,745 work hours, and this could be responsible for the results referred to in this interrogatory part.

**INSTITUTIONAL RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO AMERICAN POSTAL WORKERS UNION INTERROGATORY**

RESPONSE to APWU/USPS-10(b) (continued):

- The overall craft position change on the executive summary contains several different crafts (e.g., mail processing, maintenance, motor vehicle, etc.) and the Mail Processing Craft Savings pertains only to the clerk and mailhandler positions.
- Any transfer between craft positions impacts the work hour costs.
- Any transfer between facilities impacts the work hour costs.